<u>IN THE SPECIFICATION</u>

Please amend the paragraph on page 1, line 22 to page 2, line 5, as follows:

-- A first aspect of the invention provides a method of encoding a multi-channel audio signal ~~as claimed in claim 1~~. A second aspect of the invention provides a <u>further</u> method of encoding a multi-channel audio signal ~~as claimed in claim 2~~. A third aspect of the invention provides an encoder for encoding a multi-channel audio signal ~~as claimed in claim 14~~. A fourth aspect of the invention provides ~~an~~ <u>a further</u> encoder for encoding a multi-channel audio signal ~~as claimed in claim 15~~. A fifth aspect of the invention provides an apparatus for supplying an audio signal ~~as claimed in claim 16~~. A sixth aspect of the invention provides an encoded audio signal ~~as claimed in claim 17~~. A seventh aspect of the invention provides a storage medium on which the encoded signal is stored ~~is claimed in claim 18~~. An eight aspect of the invention provides a method of decoding ~~as claimed in claim 19~~. A ninth aspect of the invention provides a decoder for decoding an encoded audio signal ~~as claimed in claim 20~~. A tenth aspect of the invention provides an apparatus for supplying a decoded audio signal ~~as claimed in claim 21. Advantageous embodiments are defined in the dependent claims~~.--.

Please amend the paragraphs on page 3, line 26 to page 4, line 24 as follows:

--   In an embodiment ~~as defined in claim 4~~of the invention, the information comprises sets of parameters, each one of the portions of the information is represented by one or more sets of parameters. The number of sets of parameters depending on the number of frequency regions present in the portions of the information.

In an embodiment ~~as defined in claim 6~~of the invention, the sets of parameters comprise at least one of the localization cues.

In an embodiment of the invention~~as defined in claim 7~~, the first frequency region substantially covers the full bandwidth of the multi-channel audio signal. In this way, one set of parameters suffices to provide the basic information required to decode the single channel audio signal into the multi-channel audio signal. In this way a basic level of quality of the decoded audio signal is guaranteed. The second frequency range covers part of the full bandwidth. In this way, the second portion when present in the coded audio signal improves the quality of the decoded audio signal in this frequency range.

In an embodiment of the invention~~as defined in claim 8~~, the second portion of the information comprises at least two frequency ranges which together substantially cover the full bandwidth of the multi-channel audio signal. In this way, the quality improvement provided by the second portion is present over the complete bandwidth.

In an embodiment ~~of the inventionas defined in claim 9~~, the base layer which comprises the single channel audio signal and the first portion of the information is always present in the encoded audio signal. The enhancement layer which comprises the second portion of the information is encoded only if the bit rate of the encoded audio signal does not exceed the maximally allowable bit rate. In this way, the quality of the decoded audio signal will depend on the maximally allowable bit rate. If the maximally allowable bit rate is too low to accommodate the enhancement layer, the decoded audio signal will be obtained from the base layer which will produce a better quality of the decoded audio than will be the case if unpredictable parts of the coded audio will not reach the decoder.

In ~~the~~ further embodiments ~~of the inventionas defined in any one of the claims 10 to 12~~, the portions of the information (usually containing sets of parameters, one set for each frequency band represented) in a next frame are coded based on the parameters of the previous frame. Usually, this reduces the bit rate of the encoded portions of the information, because, due to correlation, the information in two successive frames will not differ substantially.

In ~~the~~ further embodiments ~~of the inventionas defined in claim 13~~, the difference of the parameters of two successive frames is coded instead of the parameters itself.--.